

Higher education will soon become more affordable for millions of Americans, including countless thousands of families in Ohio, due to the passage of the Health Care and Education Reconciliation Act, according to Congresswoman Kaptur.

The health insurance reform law included important provisions on education that will:

- expand educational opportunities by strengthening the Pell Grant program;
- make student loans more affordable; and
- help workers train for new jobs at community colleges such as Owens Community College and Lorain County Community College.

“Education is the key to getting a good-paying job,” said Congresswoman Kaptur. “Workers with bachelor’s degrees earn approximately 80 percent more on average than workers with only high school diplomas. “That’s why Congress acted to make higher education more affordable, especially in these tough economic times.”

Like rising health care costs, increases in college tuition are burdening American families across the country. Students who depend on federal grants and loans in order to advance their careers are struggling to make ends meet. And when students lack access to education or fail to graduate with a degree, our economy suffers.

Pell Grants: The Health Care and Education Reconciliation Act invests more than \$40 billion to ensure that eligible students receive an award and that the awards increase in order to keep pace with inflation. It ensures a continued maximum grant of \$5,500. The federal government will make available more than 800,000 additional Pell Grants over the next 10 years.

Student Loan Programs: The legislation saves an estimated \$61 billion in the student loan program over 10 years by cutting out the middle man and moving all institutions to the Direct Loan program by July 1 of this year.

Student Loan Repayment: The act also helps students and families repay the loans that are such an important part of financing higher education. It amends the income-based repayment program to cap loan repayments for borrowers who assume loans after July 1, 2014 at 10 percent of their discretionary income (the current cap is 15 percent). If these borrowers keep up with their payments over time, they will have the balance forgiven after 20 years. "I've talked to students who are graduating from college with \$20,000 or more in student loans debt, so this is an extremely important provision as our young people try to get ahead," said Congresswoman Kaptur.

Community Colleges: The legislation also includes \$2 billion over four years for America's community colleges. As the largest part of our nation's higher education system, community colleges will receive a total of \$2 billion through the Community College and Career Training Grant Program. This program is designed to fund training and education programs that serve the needs of workers who are eligible for Trade Adjustment Assistance because they lost their jobs due to the impact of foreign trade. "The Career Training Grant Program is particularly important for our region due to the high unemployment and the large number of people who are seeking training for the jobs of tomorrow," said Congresswoman Kaptur.

Loan Forgiveness: The legislation allows public service workers—such as teachers, nurses, and members of the military—to have any remaining debt forgiven after only 10 years. More than 1.2 million new borrowers, and perhaps more than 2,500 borrowers in the Ninth Congressional District, are expected to qualify and participate in this new benefit.